



State of Utah  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt  
Governor

Ted Stewart  
Executive Director

Lowell P. Braxton  
Division Director

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February 17, 1999

CERTIFIED RETURN RECEIPT

P 074 976 675

Jack R. Welch  
Kennecott Utah Copper Corporation  
8315 West 3595 South P.O. Box 6001  
Magna, Utah 84044-6001

Re: Formal Approval of Form and Amount of Reclamation Surety, Kennecott Utah Copper Corporation (KUCC), 4th Line Expansion Project, M/035/011, Salt Lake County, Utah

Dear Mr. Welch:

On February 16, 1999, the Division Director formally approved the form and amount of replacement reclamation surety for KUCC's 4th Line Expansion Project. The reclamation surety in the amount of \$6,372,000 is in the form of a surety bond (#400JZ4320) issued by St. Paul Fire & Marine Insurance Company. The 4th Line Expansion surety estimate will not require an update until the year 2003 unless modifications to the approved plan are made.

Enclosed are copies of the fully signed and executed Reclamation Contract and surety bond forms for your files. Please note that page 6 of the reclamation contract and page 3 of the surety bond were replaced; the pages submitted showed Lowell Braxton as "Acting Director;" these pages have been changed to reflect his current position as "Director." Also enclosed for your disposal are two old Reclamation Contracts with the effective dates of 4/27/90 and 3/25/92 with the original ILOC #S 06516 00026 and rider issued by First Security Bank in the amount of \$5,300,000.

With regard to the *UCD Modernization Project* we have corrected page 3 of 7 of the **reclamation contract** to read "December 2, 1985," and we have corrected the date on page 1, paragraph two of the **surety bond form** to read "the 21st day of April, 1987." You authorized these corrections in a telephone conversation with Joelle Burns on January 15, 1999. Copies of these two corrected pages are enclosed to replace the pages in your records.

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Jack R. Welch  
M/035/011  
February 17, 1999

Thank you for your help in finalizing these permitting actions. Please call me if you have any questions in this regard.

Sincerely,



D. Wayne Hedberg  
Permit Supervisor  
Minerals Regulatory Program

jb  
Enclosure - MR-RC & surety bond #400JZ4320; two old MR-RC's  
ILOC #S 06516 00026 w/rider;  
two corrected pages for UCD Modernization Project  
m35-11.ltr